SPEECH

OF

Hon. H. A. HERBERT,

AT THE OPERA HOUSE, HUNTSVILLE, ALABAMA,

October 11, 1895.

Mr. President, Ladies and Gentlemen:

I thank you, Mr. President, for the very flattering terms in which you have been pleased to introduce me, and I thank you all most heartily for this generous reception.

We are here to-day to consider the question whether the United States Government should undertake, without the co-operation of other countries, the free and unlimited coinage of silver at the ratio of sixteen to one.

It is fortunate that the people of our State have taken up this question for consideration so far in advance of the time when they will be called upon to pass upon it at the polls, as now we shall have ample time to deliberate carefully. It is the singular good fortune of a Republican government that it is always to the interest of its rulers, the people, to be right; and when they settle themselves down, as you have done, with every incentive to ascertain which is the right and which is the wrong of any public question, the very first thing they do is to carefully discard all prejudices that may stand in the way of correct reasoning. Politicians may trouble themselves about their records, they may be tempted for the sake of consistency to adhere to error even when it is shown to be error, but not so with the people. They claim and exercise the right to change their opinions whenever they see good cause, and when they do change their views, they never hesitate to announce the fact at the polls. Thus it is that the American people have correctly solved so many difficult problems. Firmly impressed as I am with the correctness of the views I hold, having reached them after long study, and fully confiding in the ultimate wisdom of the people of our State, I venture with great confidence to address you to-day upon the question under consideration, asking only that each of you will weigh carefully and patiently the facts and arguments I may advance and then draw your own conclusions.

In the remarks I made at Montgomery on last Friday it lay in the line of my argument to show, as I shall attempt to do here to-day, that the American silver

dollar was not entitled to be called, as it so often has been, "the dollar of the fathers"; that it had really played no important part in the development of this country. To maintain this position I referred to the small number of these dollars that were coined prior to 1861. One of the leading free-silver papers of our State criticised this statement, saying that I had omitted all mention of a large amount of fractional silver, some $92,000,000 I believe, issued prior to 1861, and that of this over $50,000,000 was full tender when coined. Now in that very speech, and in connection with the statement criticised, I had said, as the printed report of the speech will show, "You will observe that I do not take fractional currency into consideration, because the rule has always been to coin only enough of that for small change." That was a good reason for omitting to mention fractional currency. The fifty millions, if that was the amount coined prior to 1853, when it ceased to be full tender, was certainly not a greater sum than was needed for small change during the sixty years prior to 1853; we now have in circulation over $76,000,000. But whether my reason for omitting the small change was good or not, I was entitled to the benefit of my statement, and in that criticism I did not get it.

Again, gentlemen, at Birmingham, I stated that the per capita currency in this country had been run up from $15.32 in 1878 to over $24 per capita without arresting the decline in cotton or iron. I should have said $24.27, the figure at which the circulation was November 1, 1894, and that really is the figure I ought to have used, because the circulation was $24.27 per capita about the time that cotton had fallen so low. The same paper criticised me by calling attention to the fact that the circulation has now gone down below $23. If I did say it was now $24 it was a mistake, for there has been a drop in the amount per capita, and I certainly had no reason for omitting to notice the fact, as further on in what I say to-day I shall contend that it strengthens the very proposition I was advancing.

But, my friends, I have no time now to answer critics, and I shall not have time or opportunity in the future to reply to what may be hereafter said about my statements to-day. I shall leave all that matter to you, asking only that you will not permit your attention to be called off from the weightier matters of fact, as I shall endeavor to put them before you, by any comments on what does not affect the argument.

Patrick Henry said more than a hundred years ago that experience was the only lamp by which our feet could be safely guided, and it is true to-day. As farmers and as business men you consult your own experience and that of others. It was by the light of the lessons of the past that our ancestors framed this Government. It was by the lessons of experience that our fathers met and solved the many problems that have since presented themselves, during the century that is now passing away, and in the light of that past history of our country I propose to discuss with you the great issue now before us.

Remember that the unlimited coinage of silver is a business question, to be decided on business principles, in the light of facts and circumstances as they exist now; and remember, too, that it is not only in and of itself the most important

question we have had before us for twenty years, but also that upon the conclusion at which we arrive here in the State of Alabama may depend the success or failure of the Democratic party in the National election to be held next year. I shall endeavor to establish the following propositions :

First—That the American silver dollar is not entitled to be called "The dollar of our fathers," that only 8,031,258 of these dollars were coined during the first ninety years of the Republic, and that, as a rule, even these did not remain in circulation.

Second—That, in view of the failure of our first coinage law to give us, at the ratio of 15 to 1, gold and silver coins that would stay in the country and circulate side by side, Congress, in 1834, changed the ratio to 16 to 1 ; that this law overvalued gold and caused it to seek our mints, while silver avoided them, because it was not rated at its full value, and that thus gold became our principal metallic currency.

Third—That the effect of this law was to make the United States a monometallic gold country ; that both Whigs and Democrats, seeing the results of this policy, approved it, and that in 1853 Congress took away the full-tender quality of fractional silver, leaving the silver dollar free to go out of the country, and gold to remain as practically the full-tender money metal of the country.

Fourth—That we remained a practically monometallic gold country until 1878, except only when we were on irredeemable paper.

Fifth—That in 1892 and 1893 the rapidly increasing amount of our silver currency, as compared with our stock of gold, created a fear that we should go to a silver basis, and that this was the principal cause of the panic of 1893 and 1894.

Sixth—That the repeal of the Sherman law, under which we were increasing our silver holdings, and the replenishing of our stock of gold by sales of bonds restored confidence and prosperity.

Seventh—That the passsge of a law for the unlimited coinage of silver would put us where every other country is that permits the unlimited coinage of both metals, on silver alone.

Eighth—That this would cause a panic, would be repudiation, and is in every respect undesirable.

Ninth—That it is impossible to pass such a law, and that agitating for it can bring but one result, the division and defeat of the Democratic party.

To prove my first proposition, that the $8,031,258 coined during the first ninety years of the Republic did not go or if it did go into did not remain in circulation, let me discuss this period by dividing it naturally into three parts, the first covering the time during which the legal ratio between gold and silver was 15 to 1, and ending in 1834, when the ratio was changed to 16 to 1 ; the second, extending from 1834 to the beginning of our Civil War, and the third, extending from 1861 to 1878, when the Bland act was passed.

Let us look up the last period first, because we are more familiar with the facts. Is it a fact that the $3,891,043 coined during the eighteen years from January, 1861 to 1878, never did enter into our circulation during that period.

If I can answer this question and give the reasons we shall have before us the principles upon which rests the whole silver question. I draw on your own experience. You know that in the Confederacy Confederate money soon drove both gold and silver out of circulation because Confederate money was cheaper. For a very short time this money passed at par, but it soon took $1.25 of it to buy $1 in specie, then $1.50, then $2, then $3, and so on. This depreciation was not at first the result of any want of confidence in the Confederacy, for you all remember that for two years and more we had no doubt of its success, no doubt but that it would honorably make good all its pledges and redeem all its money; but long before we had begun to lose confidence in our cause it took $2 and $3 to buy a dollar in specie. The cheap dollar had completely driven all other money out of circulation. We did all our business with it, paid off our armies with it; but faith in the Confederacy could not hold this money up when it became so abundant that the day of payment, though it was believed it certainly would come, was yet afar off. Another consideration was that Confederate money was not good anywhere else but at home. Across the line, for goods to be smuggled in, it would not go; over in Europe, for goods to run the blockade, it would not pass current, and these facts, coupled with the other fact of its being so plentiful, sent it whirling downward.

All this talk we hear in these days about a country having a money system of its own, entirely independent of the outside world, passes my understanding. There never was a people in so fair a position to try an independent money system as the Confederates were for a time. The Confederacy was shut in from the outside world and dependent on itself. It was sustained by a public sentiment that exalted nearly every man and woman in it to be a hero; it could feed itself, clothe itself, arm itself, and it could and did set up its own money system, but it could not sustain its money at par with specie. As soon as it became apparent that a holder could not get gold for it at the Treasury, gold began to go to a premium.

So it was on the other side. The Government of the United States was utilizing with great wisdom all its magnificent resources. The Northern people were making heroic efforts to crush the Confederacy, and they were succeeding; but the currency they issued, in spite of their wise laws and regulations, in spite of the gold that came in daily from customs, went down until at one time a greenback dollar was worth only 38 cents—all this because the United States Government could not redeem at sight and nobody knew exactly when the day of redemption was to be. Even when the war had closed, when the victory of the Union troops was complete and the power of the Government, whose faith was behind the greenback, was absolute, neither gold nor silver was in circulation. Greenbacks were, on July 1, 1865, at about 50 per cent. discount. You will remember that if, in 1865, any one of you had specie that had been hidden away during the war, you sold it for a premium in greenbacks and used the greenbacks instead of gold in paying such debts as you paid. If by the sale of cotton, or otherwise, you came into the possession of gold and greenbacks, and had any part of your money to put away for a rainy day, you hid your gold and spent your greenbacks,

just as during the war you hid your gold and silver change and spent Confederate money and little shinplasters. I hear people talk wildly now about this great Goverument being able to do as it pleases about money matters. No man appreciates its might or its majesty more than I, but the fallacy of this proposition was demonstrated by our own experience from 1865 to 1878–9. In July, 1865, there was not a man in arms against the Government. The peace was absolute, the power of the Government was absolute. Then, as now, greenback notes were legal tender ; but it required thirteen years and a half of earnest, continued effort on the part of this all-powerful Government to raise the value of these greenbacks to a par with specie.

Now, gentlemen, I have, by drawing on your experience, reminded you that none of the $3,891,043 silver dollars coined during the period of the war and afterward, until 1878, were in circulation during that period. Possibly some of them did circulate in California and Texas, where, for much of the time, paper was refused ; but elsewhere they did not circulate, because they were kept out by the cheaper Confederate notes or by the cheaper United States paper currency.

Now, the lesson we have learned here by consulting our own experience is called in finance the Gresham Law, because it was first pointed out by Sir Thomas Gresham—depreciated money will always drive out the better money ; and, let me tell you, it does not matter whether the difference is much or little. If it be a substantial difference, say, of three or four per cent., though a poor man, not accustomed to handling money, may not notice it or even know it, yet some merchant or broker, on the lookout for profit, will collect the dollars on which he can make three or four per cent., and ship them off and sell them. So it was in the days of the Confederacy. Shrewd moneyed men were the first to bag and hide the specie, and so it always will be when depreciated money begins to float. It is the man who does not handle much money—the poor man—that needs laws to protect him, by keeping all money sound and good.

Let us take this lesson with us, as we come now to the consideration of the earliest period in the history of our silver dollar. The first coinage act was passed in 1792. The subject was considered long and patiently. The doctrine had never been heard of in those days that any one nation, in fixing its ratio between metals, could be independent of all other nations and of all foreign markets, and do as it pleased ; that it might just say 16 ounces of silver were worth one ounce of gold, and make it so. That was not sound doctrine in those days, and therefore Alexander Hamilton, who was Secretary of the Treasury, after careful consideration, reported, and Thomas Jefferson agreed with him, that the value of 15 ounces of silver in the markets of the world was about equal to one ounce of gold, whereupon 15 to 1 was fixed upon as the ratio by the Act of 1792.

Under that law, which remained in force until 1834, there were coined 1,439,517 silver dollars, another part of the $8,031,238 issued from our mints during the first ninety years of the republic. Did these dollars continue to circulate among us ? and if not, why ?

The answer is contained in the following order made by Thomas Jefferson, the great founder of the Democratic party:

DEPARTMENT OF STATE,
May 6, 1806.

SIR—In consequence of the representation from a director of the Bank of the United States, that considerable purchases had been made of dollars coined at the Mint *for the purpose of exporting them*, and as it is probable that further purchases and exportations will be made, the President (Thomas Jefferson) directs that all the silver to be coined at the Mint shall be of small denomination, so that the value of the largest piece shall not exceed one-half a dollar.

I am, sir
JAMES MADISON.

ROBERT PATTERSON, Esq.,
Director of the Mint.

Jefferson here took it upon himself, without asking any authority from Congress, to stop the coinage of these dollars because they would not stay with us. From three to five cents was the profit on exporting them. No doubt Jefferson was loth to issue that order, but he felt compelled to do so because a profit of three to five cents was causing them to be purchased for export, and that order remained in force for over thirty years. For all that time we got along without coining a single silver dollar. Little did Mr. Jefferson think at that day that the time would ever come when men, professing to have learned the doctrines of finance from him, would ever publicly proclaim that the Government could, at its own pleasure, fix upon a ratio that would leave, as 16 to 1 now would, a difference of forty-five cents between the value of the bullion in a gold and a silver dollar and still expect the two to circulate side by side. And yet, gentlemen, that is precisely what we have lived to see. Men claiming to be disciples of the immortal father of the Democracy are now arguing that the Government can disregard a difference of forty-five cents in the market value of the two metals when Jefferson himself acknowledged, by his order, that he could not manage a difference of three to five cents between the full-weight American dollar and light-weight silver, then circulating, without stopping the circulation of one or the other, for it must be noted that it was not gold that was driving out the American silver dollar. There was then in circulation a considerable amount of foreign silver, consisting largely of Spanish milled dollars, generally worn and of light weight, and of French five-franc pieces, which, even when new, had not a dollar's worth of silver in them. It was these and other light-weight silver coins that drove out not only our full-weight silver dollars, but also our gold, just as Confederate money and greenbacks at a later date drove out of circulation both silver and gold. But it also became apparent under the act of 1792 that gold could not circulate even in competition with the full-weight silver dollar, because that law had undervalued gold, and gold naturally went where it could be coined or received at its full value. One ounce of gold was worth not 15 ounces of silver but 15.7442 ounces, and so gold would not stay in the country, it went where it could pass for its full value. For this reason it was, as appears from the debates in Congress, that the Law of 1834 was passed and the ratio between gold and silver changed to 16 to 1.

Now, gentlemen, let me call your attention to the fact that I have shown you; first, that the silver dollars coined from 1861 to 1878 did not circulate because driven out by cheap paper money; and, secondly, that those coined between the beginning of our Government and 1834 did not circulate because they were driven out by light-weight foreign silver coins. Let me call upon you also to note the fact that we have had impressed upon us the lesson that a difference of three to five cents on the dollar is amply sufficient to cause the cheaper dollar to supplant the other.

Now let us look at the Law of 1834. This act was fathered by Thomas Benton, the great Democratic Senator from Missouri, and it was signed by Andrew Jackson. In this law the ratio, 16 to 1, was too high and silver was undervalued. The silver dollar being worth three cents more than the gold dollar, brokers exported it for this three-cents profit. Jewelers made three cents by putting a silver dollar instead of silver bullion into the melting pot, and so now, for these reasons, the silver dollar again went out of circulation. That the silver dollar should go out was not an unforeseen result. Senator Benton, the father of the law, openly declared his preference for gold, and that if either metal was to leave us it should be silver that should go and gold that was to stay.

Under this law the coinage of gold instantly and rapidly increased, amounting to $6,140,445.000 for the years 1834 and 1835 as against $1,776,985.000 for the two preceding years, 1832 and 1833. Old Hickory, contemplating the operation of this law, complacently said in his first message after its passage, December 2, 1834, "The progress of our gold coinage is creditable to the officers of the Mint, and promises in a short time to furnish the country with a sound and portable currency, etc." Again, Jackson said in his message, on the second day of December, 1835, "Connected with the condition of the finances and the flourishing state of the country in all its branches of industry it is pleasing to witness the advantages which have already been derived from the recent laws regulating the value of gold coinage."

When I mention in connection with these extracts the further fact that in the years 1834 and 1835, when Andrew Jackson was writing these messages, not a single silver dollar was being coined, I suppose our silver friends will conclude that Old Hickory was a preposterous old gold-bug and that he belonged to Wall street. I do not mean to say that Jackson did not wish for the coming of the time when silver would also circulate more freely. What I do mean to say is, that he commended this law after it had passed, seeing and knowing the results it was producing. If there be any doubt about the feeling of the country as to the policy of having gold seek our mints to the exclusion of silver, at the time the Law of 1834 was passed, there can be none whatever about the sentiment after the act got into operation, and everybody could see the results. I have here a table to which I call your especial attention:

Statement Showing the Average Coinage of Gold and Full-tender Silver at the United States Mints Each Four Years, from 1837 *to* 1860, *Inclusive.*

Years.	Average Gold Coinage Each Year.	Average Silver Dollars Each Year.
1837 to 1840, inclusive	$1,502,600.000	$15,326 25
1841 to 1844, "	4,114,432.125	135,679 50
1845 to 1848, "	7,942,115.625	87,462 50
1849 to 1852, "	40,112,545.000	28,125 00
1853 to 1856, "	32,884,902.000	42,187 50
1857 to 1860, "	23,351,669.375	366,107 50

Here you see that Van Buren and the Democrats of his administration knew that gold was driving out silver ; that from 1837 to 1840, inclusive, the average silver coinage was in round numbers $15,000, and the average gold coinage was in round numbers a million and a half—one hundred times as much gold as silver —and they were content with the situation and the law remained.

Harrison and Tyler, Whig Presidents, were content during their administration to let the law stand and operate in favor of a gold currency and exclude silver.

Polk, the Democratic President from Tennessee, then Taylor and Fillmore, Whigs, then Pierce and then Buchanan, Democrats—every administration, Democratic and Whig, for twenty-six years—from 1834 till the war began in 1861, sanctioned, by permitting it to stand, the law under which there were coined during this period 162 times as much full-tender gold as full-tender silver. Now I think I have established my second proposition, that the Law of 1834 caused gold to seek and silver to avoid our mints, and that gold became our principal metallic currency.

But our free-silver friends say that the fractional silver was being coined during this period in considerable quantities, and that up to the passage of the Act of 1853, it was all full tender in the payment of debts. This is all true, but let us examine and see what conclusions are to be drawn from these facts. The fractional silver, the halves, quarters, dimes, etc., making up a dollar, weighed then exactly the same as a dollar. It cost no more to coin dollars than to coin small change, and therefore it follows, as a matter of course, that when fractional currency was coined it was because small change was wanted. From 1835 to 1852, inclusive, the fractional silver coin issued from the mints of the United States amounted to an annual average of $2,025,494. The silver dollars minted during the same period amounted to an annual average of $50,681, or $40 in small change for every silver dollar. Small change was coined of necessity, silver dollars were not coined because the law gave the advantage to the yellow metal for large transactions.

But the argument to be drawn from the treatment of small change at the mints is not yet exhausted. The Law of February, 1853, reducing the weight of standard silver in a fractional silver dollar from 412½ to 384 grains, was passed avowedly on

account of the "rapid disappearance of our silver," and that law reduced the weight of fractional silver to make it less valuable, to keep it in circulation by taking away all temptation to export or to melt it—in other words, Congress took measures to keep the fractional currency in circulation and took no steps whatever to prevent the continued "rapid disappearance" of the silver dollar. Mr. Dunham, of Indiana, from the Committee of Ways and Means, that had reported this bill, speaking to it, February 1, 1853, said, "We propose, so far as these coins are concerned, to make the silver subservient to the gold coin of the country. We intend to do what the best writers on political economy have approved, what experience, where the experiment has been tried, has demonstrated to be the best, and what the Committee believe to be necessary and proper—to make but one standard of currency, and to make all others subservient to it. We mean to make gold the standard coin and to make these new silver coins applicable and convenient, not for large, but for small transactions. I trust this will sufficiently explain the reason of our pursuing this course."

Now, gentlemen, I wish to put this particular point beyond the pale of dispute, and I do not contend that every person who spoke on the subject or who was in Congress at that time took Mr. Dunham's views. Many would not, in words, have given up silver as a money to be used in large transactions, as he did, but what I do say is that Congress, the body of it, when it passed this act, knew what it meant; knew that legal-tender silver was being coined in only small quantities and that even this was "rapidly disappearing," and with this knowledge it took no steps to prevent the outgo of legal-tender silver, while it did pass a law to prevent the outflow of small change by reducing its weight. It also prevented the circulation of this cheap silver in large quantities by providing in this same law that fractional silver should only be legal tender up to five dollars, and that it should be coined only on Government account in such sums as the Secretary of the Treasury might direct.

Then let me call your attention further, gentlemen, to section 4 of this act, which provides but one mode by which persons desiring to purchase these coins at the mint could get them, and that was "in exchange for gold (not gold or silver, but gold) coins at par in sums of not less than one hundred dollars."

Here we have seen that the effect of the Act of 1834, the result of which stood approved by Whigs and Democrats alike, followed up, as it was, by the Act of 1853, was to let the silver dollars go and to keep the small silver coins. We have also seen that this act required these small coins when purchased at the mint to be paid for in gold, and that it limited their legal-tender quality, and I submit that all this did make ours a practically monometallic gold country, and this was my third proposition.

My fourth proposition is that we remained a gold country except when on paper alone until 1878, and to substantiate this I rely on the following facts: First, an act was passed February 2, 1857, taking away the legal-tender quality of foreign silver coins; secondly, this same act provided that foreign silver thereafter paid into the Treasury should be recoined into American money; thirdly, very little such silver found its way into the Treasury, as is shown by the small

amount of subsequent silver coinage ; fourthly, the estimate of the Director of the Mint that in 1860 the circulation of full-tender silver was merely nominal by reason of exportation, and that our gold then amounted to about $260,000,000. So thoroughly had it come to be understood that we were on gold alone that when, during the war, the United States Government wished to get specie to maintain its credit, it enacted that customs duties should be paid in coin, and gold being practically the only coin in our country at that time, it resulted in all our customs being paid in that metal, and this condition continued until the passage of the Bland-Allison Law in 1878.

It was this generation that turned to silver. We passed the Bland-Allison Law in 1878, under which the Government was required to purchase bullion and coin at least $2,000,000 per month, and in 1890 the Sherman Law, under which 54,000,000 ounces of silver were annually purchased and certificates issued upon it. I am not discussing theories, but facts, and I have now proven that although from 1834 to to 1873 we permitted the unlimited coinage of both metals the limitation of our laws were such as to make us up to 1878 a monometallic gold country, and I am now proving by facts that we are the most completely bimetallic country in the world.

Under these two laws, the Bland-Allison and the Sherman, we accumulated up to the time of repeal in 1893 of the Sherman Act $549,700,000 of full-tender silver, counting in the Sherman notes, which were based on and payable in silver. That I may not be misunderstood let me say I quote throughout my remarks to-day from a table made for the United States up to November 1, 1894, and for other countries up to January 1, 1894, the latest most available dates for the purpose of general comparison. You will see the tables for the United States are simply of a later date of the same year taken for the estimates of other countries. We have now more than twice as much silver per capita as any silver country in the world. What is it to be bimetallic ? Is it to circulate silver and gold side by side in equal quantities ? If so we were, on the 1st of November last, the most purely bimetallic nation in the world, for then our total stock of silver was $625,300,000 and of gold $626,600,000 within a fraction of a cent of dollar for dollar. The variations since that time, whatever they may be, are not enough to affect the truth of my proposition.

In the amount of currency per capita there are few countries that exceed us. But I put very little stress on any argument based on the amount of currency per capita a country may have, because, in my opinion, such arguments are of no practical value. The statement so often indulged in by the advocates of cheap money that the money in any country is the measure of the values of that country is a fundamental error.

If you begin your reasoning with that proposition your conclusions must necessarily be erroneous. It is the function of money, of course, to measure values, but each piece of money performs this function many times over. It would be no more absurd to say that a merchant must have a yardstick for every yard of cloth in his store than to say that a people must have a dollar for every dollar's worth of property. It is untrue of nations, as it would be of an individual,

to say that the volume of money on hand is the measure of the value of property on hand. A person may not have $10 in money, and yet he may be worth $10,000 or $100,000 in real estate or notes and mortgages ; may negotiate a loan and buy property valued at thousands of dollars without handling a dime. As it is with an individual, so it is with many individuals, or with a country, a state, or a nation. Money and solvent credits, notes, checks, bonds, etc., stand for property and do the business of exchange. More than 95 per cent. of the business of our country, it is estimated, is done by notes, checks, and other paper, and not by money : credit, confidence in commercial integrity and commercial exchanges, this is the indispensable condition of financial prosperity.

The United Kingdom of Great Britain has only about $775,000,000 in currency, all told, yet it is estimated that England has out on loans in other countries more than $3,000,000,000. No argument, therefore, is so delusive and none has misled so many people as that drawn from the relative circulation of different countries. The French do more of their business with cash and less with checks than any other people, and, therefore, they need more money ; but it seems that some of our friends will never be content until we have as much per capita as France. Why ?

Holland and Belguim have each slightly more currency per capita than we, but I have never seen them pointed to as examples, because no one can point to anything in their conditions to indicate prosperity or financial power. France, however, it is said, has a good money system. So she has, and she is careful to maintain it. Her people had a terrible lesson in finance just a hundred years ago. During the French Revolution France, being in want of money, issued assignats more than she could redeem, and she did not stop when her paper money began to depreciate. Her people had become infatuated with cheap money. They demanded and they got more and more until a financial crash came that brought distress and ruin in its train. France took that lesson to heart, and she has never again been deluded by schemes of inflation. For a whole century she has held fast to good money, and in that respect her example is worthy of imitation, for she has always since the days of the assignat exercised caution and wisdom. She did not go willingly into the movement that began in Europe about 1867–8 for the demonetization of silver. She wanted both silver and gold, and tried to hold on to the coinage of both, but when she saw that her efforts were in vain she did not seek to avenge herself on the authors of demonetization by undertaking to hold up herself all the silver in the world ; she quietly and wisely yielded to the inevitable, and stopped coining silver. This was in 1878, the very year that we began. France, wth a ratio of 15 to 1, stopped silver when the market rate was 18 to 1 ; we, with a ratio of 16 to 1, did not stop till the market value had gone to about 28 to 1, and, strange to say, the people who point us to her example now say we ought not to stop coining as she did, but must coin all that can come to us, no matter what the price may be.

Again, if we reckon from these same tables, France stopped when she had gotten as much as one dollar in silver for every one dollar and sixty-seven cents in gold, whereas we never stopped purchasing under the Sherman Law until we had

gotten about $1 in silver for every $1 in gold. But, gentlemen, talk about France being prosperous because she paid with apparent ease $1,000,000,000 war indemnity to Germany. I admit that the French people are to be congratulated for always holding steadfastly to sound money, and it is perfectly clear that her large stock of sound money has been accumulated by turning a deaf ear for a whole century to the siren of cheap money, yet I maintain that France is not as prosperous as the country just across the channel from her, the United Kingdom of Great Britain, and that she cannot compare with our country, although it is our countrymen who tell us that her immense circulation makes her prosperous and happy. Compare for a moment France and the United States. France after her war paid $1,000,000,000 and goes smoothly on her way. In our civil war losses of life and limb were four-fold greater than those of France in the Franco-Prussian war. In our war the Confederates alone lost property in slaves valued at $1,500,000,000. Count in also the four years' earnings of the Confederates represented by Confederate money and bonds, all of which were lost, and estimate these at another billion. Then, since the close of the war our Government has paid two billions and more on its debt without counting the interest. Thus we have lost and paid far more than twice what France lost and paid, although when our war closed France equaled us in population. Our achievements do not stop there, Within the last thirty years France has gained about 5,000,000 in population; we have added over 35,000,000 to ours, and we have built within those years far more than twice as many miles of railroad as France has constructed since railroads were invented.

Then add to all this that we have paid wages to our laborers more than three times those received in France. I read from a table recently issued by the Department of State showing the comparative wages of labor; the information it contains was carefully collected by our consuls.

	Average Weekly Wages.	
	United States.	France.
Bricklayers	$21 18	$5 74
Masons	21 00	5 33
Plasterers	23 00	6 34
Plumbers	19 00	6 10
Blacksmiths	16 02	5 81
Stonecutters	21 00	8 00
Tinsmiths	14 35	5 50
Laborers, porters, etc	8 88	4 00

If the farmers who are here now could see how the agricultural and working classes of France live, could sit down with them for one week or even one day at their scanty meals, they would never again listen to the advocates of free silver holding up France as a happy and prosperous country.

But after all it is here in the history of our own country, so long the most prosperous of nations, that we find the best illustration of the fallacy of this argument drawn from the mere amount of money in circulation. There was never a day prior to our civil war when this country had more money per capita than in 1860, and that year, 1860, was one of the most prosperous in our history —then we had a little over $13 ; in the days of the recent panic we had over $24.

Our financial system is very imperfect, I admit. It needs more flexibility and it needs to rest on a firmer basis. But mere increase in the volume of our money will do no good. We have tried that to no purpose. We have added since the passage of the Bland Law in 1878, in specie and paper, $932,000,000 to the volume of our currency. Has the addition of this vast sum aided in the slightest degree to arrest the fall of prices ? You know the argument always was, and it is now, that an increase in the volume of our money would tend to maintain, and even to increase, prices ; and especially were we of the South told that it would help the price of cotton. Now, do not misunderstand me, the silver we have got we can keep, if we are wise and prudent, at par with gold as it is now ; and this we must do, for this currency is useful in performing all the functions of commerce at home and between the States, but this vast increase since 1878 in the volume of our currency has not had the remotest effect upon the prices of cotton, iron or any other product that seeks the wide markets of the world. Whenever there is a reasonable amount of currency and the commercial world has confidence in the stability of money systems, the prices of commodities are governed by the laws of supply and demand ; that is to say, when the supply of an article is greater than the demand, prices will fall, when the demand is greater than the supply, prices will rise. So with cotton. For example, we furnish the chief supply of cotton for the world. When stocks and crops are small the price is good, when the market is overstocked, the price goes down. Our cotton crop in 1894 was 9,900,000 bales ; the crop of the whole world in 1880, just 14 years before, was only 7,200,000 bales. There you have the secret of the tumble in cotton. So is it with wheat. Manitoba, Argentina, India and Russia have helped to create an over supply and the general tendency of prices for wheat has been downwards. So it is with other things that have fallen in price. Modern machinery, improved methods of manufacture account for it all. Horseshoes, horseshoe nails, plow points and hoes are turned out by the ton and are cheaper. Buggies, wagons, calicoes, everything made by machinery is cheaper. Thus it is, gentlemen, you see that not only the farmers, but other people, have been industrious and have overproduced, and the result is that, though you get lower prices for your products, you pay less for your supplies. Everything that has been overproduced has gone down in price ; on the other hand, the price of articles the demand for which has kept pace with the supply has not decreased. Oats is one of the important farm products. In 1878 there was a large crop, and the average price of the year was 24 cents. Oats have been at least six cents higher every year since, and in 1894 the price was 32 cents. The average price of mess-pork in 1877 was $9.77 per barrel. It has ranged higher than that ever since, and in 1894 the price was over $14 per barrel. What has silver or its demonetiza-

tion to do with these things? How could the demonetization of silver send cotton and wheat and other things down and send oats and mess-pork steadily up? It simply could not be, gentlemen.

To show you beyond all doubt that the vast increase of our currency, both in the aggregate and per capita, which we hoped would help prices, has had no influence whatever on the price of things that depend on the markets of the world, let us look more particularly at cotton, that we all know about. Here is a table showing the average crop of cotton in the United States and the average price of low middlings in New York for the same period. I have taken the average of five years so as to eliminate the effects of speculation, and give you the general trend of supply and prices:

Average Prices of Low Middling Cotton in New York for five year periods.

Years.	Bales.	Average Prices.
1866 to 1870, inclusive	2,475,028	30.52 cents.
1871 to 1875, "	3,852,111	17.51 "
1876 to 1880, "	4,943,180	11.77 "
1881 to 1885, "	6,086,183	11.06 "
1886 to 1890, "	6,875,444	10.44 "
1891 to 1895, "	8,282,918	7.76 "

Now, you see from this that when the crops averaged 2,475,000 bales the price was over 30 cents; when the crops jumped up to 3,800,000 bales the price fell off to 17½ cents. When the crops got to be 4,900,000 bales the price fell to 11.77. When the crops averaged 6,000,000 the price was about 11 cents, and when the average crop amounted to 8,282,000 bales the average New York price tumbled down to 7¾ cents. These figures seem to me to demonstrate that overproduction caused the decrease. To have the whole case before us and see what our home supply of money had to do with prices, let us look at our per capita circulation for this same period. It does not seem to me to be necessary to notice the argument sometimes made that the fall of silver affected the fall of prices further than to say this, that the price of silver bullion, not in circulation among us and not in use for the purchase of our cottons, could have nothing to do with prices. The question I am discussing is, what did the whole volume of our circulation, counting gold, silver and paper, have to do with the prices of our commodities? There was, mark you, from 1865 a gradual decrease in our per capita supply of money until we began coining silver under the Bland Law in 1878. Up to that time the aggregate of our circulation had increased, but the increase had not kept pace with the population, so that our per capita circulation had fallen from $20.37 to $15.32, a little over $5 in thirteen years. If these figures stood by themselves it might be urged that this contraction has something to do with the fall in cotton, but when we look at all the figures we see that our per capita circulation increased in the next 12 years from $15.32 in 1878 to $24.27 in 1894, nearly $9 per capita, and yet the fall in

cotton continued right along as production increased, without regard to either the increase or decrease of circulation in America. That the volume of money had nothing to do with prices seems to be certain, and the conclusion is absolutely demonstrated when we consider the further fact that since November 1, 1894, our per capita currency has fallen off by nearly $2, and yet in that very interval the price of cotton went up more than twenty-five per cent. This is what I told you in the beginning of my remarks I would call attention to further on, that I could not have had any intention in a former speech to omit notice of a recent falling off in the amount of our per capita currency. This very falling off during the last year, within which you all know that prices have gone up all along the line, conclusively establishes, when connected with the other facts I have given, my proposition that it is not the volume of currency in a country that regulates prices.

It is a plain proposition that so long as our money remains good and equal to gold it does not matter how much we have of it ; if we should add to it the $215,000,000 of silver that was mined last year, and $200,000,000 each year hereafter until we have added another thousand millions, the addition of this vast sum, provided we could keep it up to par with gold, would not, unless Europe would come to our aid, help the price of cotton by a single hundreth part of a cent. This may be to some a startling proposition, and yet it is the natural result of facts plainly stated, as follows : We sell two-thirds of our cotton in Europe for gold. European markets control the price, and it therefore follows that while our cnrrency remains as good as gold no merchant can afford to pay for cotton here any more in gold currency than just such a price as will give him a reasonable profit if he exports and sells it in Europe. Now, gentlemen, it is natural reason that brings us to this conclusion, and the addition already made between 1878 and 1894 of $932,000,000 to our currency, without helping to sustain prices, tells us precisely the same thing. What, then, becomes of all the promises of our free-silver friends, that they will add a vast volume of silver to our currency and keep it all at par and in that way keep up prices ?

But can we, if we open the door to all the people who want our gold, coin all the silver that will come to us and keep it at par ? Mexico is on a silver basis now, not because she desired to be, but simply because her laws allow the unlimited coinage of both metals, and silver, because it was cheaper, drove out gold. The United States of Columbia, Japan, Bolivia and Ecuador are in the same situation and for exactly the same reason. There is not a country in the world that allows the free coinage of both metals that can keep gold in circulation at par with silver. What is there to show that the laws of trade would not have the same effect here. We have seen that in 1860 we were on a gold basis at 16 to 1; that gold, being from three to five cents in the dollar cheaper, had driven out silver. Now when silver is by 45 cents on the dollar the cheaper, why would it not drive out gold from us as from all other countries where there is free coinage of both metals. And where would be the magic in a sixteen-to-one law passed during the nineties that could not be found in that same law durıng the forties and fifties ?

For myself, I utterly fail to see how the Congress of the United States could lift all the silver in the world up to a par with gold. If Congress, however, can exercise such a jurisdiction, it ought by all means to be done, for we will thus be doing for India and Japan and many other nations of the world what they have vainly tried to do for themselves. Before attempting such a feat, however, let us measure the task a little more and find out what the situation is—what other nations have done and have tried to do.

In 1870 all Europe, except Great Britain, was bimetallic. In 1871–2, however, Sweden, Denmark and Germany began the movement to demonetize silver, and since that time all Europe, not to speak of other countries, has ceased coining silver, except for small change. While this movement was going on, in 1873, the Congress of the United States dropped the silver dollar from the list of coins to be issued at our mint and no dollars were coined for about five years. There are people who believe that the United States Government is solely responsible for the demonetization of silver. I believe that if Europe had continued coining, as before, the United States might have abstained from the coinage of full-tender silver, not for five years, as she did, but for all times to come, without affecting in the least the value of that metal. It was not the United States that held silver at and above our legal par with gold for so many years. I have shown you how little full-tender silver we used from 1792 to 1873. I have told you that according to the Director of the Mint our circulation of legal-tender silver in 1860 was merely nominal, and have reminded you of what you know yourselves, that there was none in circulation in 1873; that only $3,800,000 had been coined between the 1st of January, 1861, and the passage of the act of 1873. Now let us even suppose, though it cannot be true, that all this $3,800,000 remained in the country and was with us in 1873. Europe had in circulation when the movement began there $2,450,000,000 of full-tender silver—that is to say, counting that we had $3,800,000, Europe was using more than six hundred times as much legal-tender silver as we were and at the same time her fair proportion of fractional silver, of which we were using practically none in 1873. In other words, Europe was doing more than six hundred times as much to sustain silver as we were; for many years we had been playing no part in holding up this metal and we were doing really nothing in 1873 in this regard, and so the withdrawal for five years of a demand so insignificant as ours could have been of no immediate consequence whatever. But when Germany, France, Belgium, Italy, Switzerland, Greece, Austria, Holland, Norway, Sweden, Denmark and Russia—countries that have altogether a population of 270,000,000 and that had been bimetallic and were using $2,450,000,000 of legal-tender silver—when these, one after another, ceased coining the white metal, of course silver began and continued its fall. These countries then had far more than half the silver of the world, and their circulation now shows that they have since gotten rid of more than $1,400,000,000 of what they had when the movement for demonetization began. Is it not conclusive then, gentlemen, that if demonetization is the cause of the fall of silver it was demonetization in Europe and not the effect of the act of 1873 passed by the United States Congress? This demonstration is complete

when you recall the other fact that we have, since 1878, purchased $549,000,000 of silver and that this has not prevented the fall of silver. Now take into consideration one other fact, that the annual product of silver has gradually run up from about sixty millions to over two hundred millions, thus greatly increasing the supply of this metal, while the demand has so rapidly fallen off, and you see how utterly untenable the proposition is that the fall in the price of silver and in the prices of other things is due to the act of 1873.

But it is contended that we can keep silver in unlimited quantities at par because we are now floating successfully a large amount of it. How do we keep silver at par now ?

First, by limiting the amount to such a sum as we can manage; secondly, by declaring that it is a legal tender for all dues to individuals and to the Government, and thirdly, by paying out to creditors at the Treasury gold or silver, according to demand, and by keeping always on hand a suppply of gold sufficient for this purpose. In this way we maintain it at par, but we do not, by our laws, control the money markets of the world. The Navy Department, for example, pays off our officers and men in silver countries, like China and Japan, with the silver of the country, bought there by the paymaster of the vessel. The silver of these countries is always for sale at the market rates—now nearly two for one.

I remember some time since to have seen, in a very able speech by an advocate of free silver, a challenge to any opponent to show where the silver was to come from that would take away all our gold. I accept the challenge. Our stock of gold was at the time the tables I read from were made $626,600,000. These tables will serve the purposes of reference because these stocks of money are continually changing and it is quite as fair to take this estimate as a more recent one, because the date, November 1, 1894, more nearly corresponds with the estimate of coinage from foreign countries. The stock of silver in India is $950,000,000, in China $750,000,000 and in Japan $88,000,000. Japan, China and India could absorb every dollar of gold we have, and if we should pass a free-silver law, would do it instantly. Brokers would place their orders by telegraph. The holders of gold in America would either accept or reject. If they accepted they could get for $100, silver enough to coin into at least $180, and China and India alone could buy every dollar of gold we have at that price and have silver to spare. All the other silver countries would be bidding. Mexico, Central America, South America, the large amount of silver in Germany that has been seeking and never found a market, besides the $215,000,000 annually produced by the silver interests that are pushing this free-silver movement—these would absorb our $626,000,000 instantly. This would put us on a silver basis, with no gold by which to measure and redeem, and our silver, being free to come and go, would be exactly on a level with the silver in other countries. If, on the other hand, the holders of gold did not choose to accept silver for it even at the large rate of discount, they certainly would refuse to put their gold in circulation alongside of the dollars coined from the cheap silver which they had refused to buy, and so all the gold in the country would retire from circulation, and we should have such a panic as America has

never seen. With the sudden withdrawal of $626,000,000 of gold we should not only drop down to cheap money, but we should be $626,000,000 short. This is what would happen if we passed such a law, and it would happen the very moment it was known that such a law was about to pass.

Even the election of a President and a Congress pledged to enact such a law would drive every dollar of gold out of circulation. Banks would call in their loans, depositors would rush for the banks to get good money before a law could be passed compelling them to take cheap silver ; failures would succeed each other with lightning rapidity, fortunes would vanish in a moment, the wheels of our industries would be silent, and it would be a harvest season for sheriffs, bailiffs and lawyers.

Gentlemen, this is what had almost happened in the panic of 1893, when Congress repealed the Sherman Law and stopped the purchase of silver. Then the Secretary of the Treasury and the President being unable to get authority from Congress to issue low-rate bonds, acted under authority given under an old law and sold bonds to procure gold. The repeal of the Sherman Act and the procurement of gold sustained the value of our silver, sustained the value of our paper currency, maintained the credit and honor of the country, restored confidence and set the wheels of industry again in motion. You have but to open your eyes, look around you and see the results. The panic was a legacy from the Republican party that had been in power for thirty years. By the McKinley law revenues had been reduced ; extravagant appropriations had been made and laws requiring continued extravagance had been passed, during the four years preceding, that threatened, when this administration came in, a deficit in the Treasury. In the meantime immense purchases of silver were being made under the Sherman Law, and gold was going out of the country. The Sherman Law was passed in 1890. In the years 1891, 1892 and 1893, the net exports of gold from the United States were $155,286,697. The holders of our securities, which are owned abroad for more than $2,000,000,000, were becoming alarmed lest we should come to a silver basis. They were not willing to be paid in silver for what had been gold investments, and were demanding payments, and the outflow of gold was the prime cause of the panic.

Gentlemen, if we should find ourselves at any time forced onto a silver basis there is no doubt but that after a time we should wade through the want and misery caused by a revolution of our money system, and eventually come to an adjustment of prices. Then the banks would pay off their creditors with fifty-five cent dollars, and 21,000,000 of people of this country, most of them laborers and people of moderate means who have deposits in saving banks and trust companies, would be paid off in cheap money, and guardians, executors and life insurance companies would pay off the widow and orphan in cheap money—all this that you might have the privilege of selling your products in depreciated currency and buying in the same cheap currency. One other result would follow. Since the panic tens of thousands of laborers have had their wages increased, in good money—wages that were already higher than in any other country in the world—wages that have only been attained by a struggle of a

quarter of a century. Upon a silver basis wages would have to be readjusted, and experience shows that wages are the last thing to rise. Is there anything in the history of silver countries or in their condition to-day that could tempt us to adopt their system? There is no such country in the world to-day where a laborer gets fair pay for his day's work.

I will not speak of China or of Japan or of India, for their wages are the lowest in the world, but I select the two silver countries that are conditioned most nearly like our own—countries that are in this Western Hemisphere—countries that are not over populated and that still have vast undeveloped resources, and are to-day, by reason of these resources, inviting capital from the United States. I refer to Mexico and Venezuela. Let us compare wages in these countries with the wages in the United States. I have reduced the wages which are given in silver to gold at present rates for the sake of easy comparison, as our currency is all equal to gold.

Average Weekly Wages in Gold and Silver Countries.

	United States.	Mexico.		Venezuela.	
	Gold.	Silver.	Gold.	Silver.	Gold.
Bricklayers	$21 18	$10 00	$5 50	$9 00	$4 95
Masons	21 00	10 80	5 94	9 74	5 35
Plasterers	23 10	4 25	2 33	9 40	5 17
Blacksmiths	16 02	8 00	4 40	10 25	5 63
Tinsmiths	14 35	7 50	4 12	14 00	7 70
Laborers, porters, etc.	8 88	2 90	1 59	7 85	4 21

Certainly the prospect of such wages as these is not very inviting to the American laborer.

I have heard that the remarkable statement has been made in Alabama that while there is a silver party in every gold country, there is no gold party in any silver country. If this means that there is not in any silver-using country a party that favors the gold standard, I point to Japan, which only a few years ago attempted it and failed. If it means that there is in any gold-using country a party that is seeking to go to silver alone, then, unless I am misinformed, there could not be a statement wider of the mark. I challenge any man to show in any gold-using country a party that advocates going to a silver basis. There is, I am glad to say, in every country in Europe a party in favor of bimetallism, in favor of using silver and gold jointly. But nowhere in any of these countries is there a party contending that any one country could by itself, under unlimited coinage, now maintain both metals in circulation side by side; nowhere is there a shadow of such a party, and the marvel to me is that there can be, in the face of all the teachings of history, such a party here. Not only is there no such party in any other gold-using country, but the friends of silver all over Europe advise us not

to try the experiment by ourselves because they think we should fail, that Europe would get our gold and that this would strengthen the hands of monometallists in the fight now going on in those countries, which I hope may be eventually settled in favor of bimetallism. However this may be, whatever be the chances of bimetallism by international agreement, we must abide the results, or determine to go ourselves to a silver basis.

Another statement which I understand has been made here is, that Wall street was in some manner or other responsible for the origin of the panic of 1893. I do not mean to place myself in the position of being the defender of every act done by the capitalists of this country. There is no doubt that unjust and unholy combinations are sometimes made in Wall street, as elsewhere ; but let us, when we wish to find out the truth, look at facts in the light of reason and not of passion, and let us not fail to remember, that when men appeal to our prejudices, it is generally for the reason that they do not trust in the merits of their cause.

It is not true that capital combines to produce financial panics. I venture to say that the history of the world may be ransacked and not a single instance found of any financial panic ever brought about by a combination of capital organized for that purpose. Who were the first to suffer in the recent panic ? The banks. One hundred and fifty-eight national banks and four hundred and fifteen other banking institutions suspended in 1893, and a large portion of them have never resumed payment. The losses in this panic were most of them absolute losses, resulting in gain to nobody—the losses of labor unemployed, of capital hidden away and drawing no interest. Capital prospers when the people prosper. Labor unemployed cannot pay rent to the capitalist, cannot buy from the merchant, cannot pay railroad fares. Manufacturers whose plants are idle cannot pay labor and cannot pay borrowed capital. In Wall street there is much speculation, especially when the markets are up. If you would increase speculation there, put this country on a silver basis. Then the gold room would be re-established, gold would become again a commodity, bulls and bears would push up and down your medium of exchange with Europe, and you would have more middlemen between you and those with whom we trade, making profit out of the fruits of your labor. But Wall street is not only a place for speculation, it is also a place where capital aggregates to be loaned out to manufacturing interests, to railroad companies, and to aid in the development of all the industries of the United States. The capitalists in America who live simply upon the interest of their money and do no business, who never lend that others may borrow, who never invest in business enterprises, who never build and thus employ labor, and who never turn over their capital in order that it may be increased, are few and far between. Such men as these do not congregate in Wall street. Men go there to make money by turning money over and putting it out, by buying and selling and not by locking it up. Whenever capitalists do lock up their capital, whenever they refuse to put it out, there is stringency, hard times come, and these hard times hurt the people whose business it is to deal in money as well as the people who work with their hands—they throw both capital and labor out of employment.

So it follows, my fellow-citizens, that the way, and the easy way, to make

hard times, and hard times especially in the South, which is so much in need of money for the development of its industries, is simply to threaten the capitalists of this country, to induce them to believe that the dollars they put out, which are equal to gold when they lend them, are coming back, if they ever come back, as depreciated dollars. I know of no more effective way of crippling the South and its industries than for our people to clamor for the payment of debts already contracted, and hereafter to be contracted in depreciated silver dollars. Fortunately for this country the effects of the panic of 1893 are rapidly passing away; money has begun to flow again in its accustomed channels; wheat has risen in price, cotton has risen in price, iron has risen in price, industries are reopening everywhere, wages are increasing, and all this comes from the fact that the capitalists of this country, who are shrewd, far-seeing, and who watch with keen eye the doings of every political convention, have come to the conclusion that the free-silver sentiment in the United States is not strong enough and not powerful enough to force this country to a silver basis. They understand that there is no free-silver sentiment in the East, none in New England, none in New York, none in Maryland, New Jersey, Delaware or Pennsylvania. They see that Republicans and Democrats in the State of Ohio have pronounced against free silver; that Republicans and Democrats in the State of Kentucky have pronounced against free silver; that only parts of the Democrats in the other States of the West and South are for free silver, and they are confident, as I am, that the people of the United States, whatever else may happen, will, in 1896, pronounce for the continuance of sound money, for the parity with gold of every dollar of silver and of paper now afloat, or to be floated, in the United States.

I do not appeal to any low or selfish motives in you, gentlemen, when I urge you to place yourselves on the winning side of this question, but I do urge upon you as Democrats, whatever may be your individual opinions as to the advisability of enacting a free-silver law, to range yourselves with the controlling sentiment of the people of the United States, which must and will dominate the next administration of our government. The cause of free silver by this country alone is already lost. In 1877 a free-silver bill passed the House of Representatives by more than four to one. My recollection is the vote was 162 to 34. The Bland–Allison bill passed both houses by over two-thirds majority. My recollection is that no free-silver bill has ever passed the House since 1877. The six new States that are in or near the Rocky mountains, and therefore affected by the silver sentiment, count for twelve votes in the Senate, but they count for very little in the House and very little in a Presidential election. Either New York or Pennsylvania or Ohio has more electoral votes than all these six States together, and it does not seem to me possible that either of these great States will ever favor free silver by the United States alone. Let us do what we can to have that administration Democratic. Alabama is a Democratic State, deeply interested in the success of the party, which, whatever else it has failed to do, has recently in Congress psssed a law to leave the people of the United States free to manage their own elections, another law making material reductions in tariff

taxation, and it is a Democratic administration that has so far maintained the financial honor and credit of this country. You may divide and destroy the prospects in this coming campaign of our grand old party ; you may be instrumental in putting the Republicans again in power, but you cannot force free silver upon the people of the United States.

The Democrats of this country have always been for sound money. They sustained the law that Benton advocated and Jackson approved in 1834, after it had become apparent that the effect of that law was to put us practically on a gold basis, because they believed in a currency that was the very best ; they sustained Andrew Jackson's specie circular because they believed in money that was the very best ; they helped to put down the greenback craze, plausible as the theory was, because they believed that the commerce of the United States, which is pushing into every port of the world, ought to be conducted with money that will be current wherever the flag of our country may float, and so they will decide now—our silver and our paper must be kept as good as gold, our country must keep its place in the forefront of civilization.

Appendix—Circulation per Capita and Average N. Y. Price of Cotton.

Year.	Circulation in U. S. per capita.	Average N. Y. price Cotton per lb.	Year.	Circulation in U. S. per capita.	Average N. Y. price Cotton per lb.	Year.	Circulation in U. S. per capita.	Average N. Y. Price Cotton per lb.
1800......	$4.99	28.00 cts.	1850......	$12.02	12.34 cts.	1873......	$18.04	18.15 cts.
1810......	7.60	16.00	1851......	13.76	12.14	1874......	18.13	17.00
1820......	6.96	17.00	1852......	14.63	9.50	1875......	17.16	15.00
1830......	6.69	10.04	1853......	15.80	11.02	1876......	16.12	13.00
1831......	7.04	9.71	1854......	16.10	10.97	1877......	15.58	11.73
1832......	8.64	9.38	1855......	15.34	10.39	1878......	15.32	11.28
1833......	8.60	12.32	1856......	15.16	10.30	1879......	16.75	10.83
1834......	8.64	12.90	1857.....	15.81	13.51	1880......	19.41	12.02
1835......	9.86	17.45	1858......	13.78	12.23	1881......	21.71	11.34
1836......	13.17	16.50	1859......	14.35	12.08	1882......	22.37	12.16
1837......	13.87	13.25	1860......	13.85	11.00	1883......	22.91	10.63
1838......	12.33	10.14	1861......	13.98	13.01	1884......	22.65	10.64
1839......	13.26	13.86	1862......	10.23	31.29	1885......	23.02	10.54
1840......	10.91	8.92	1863......	17.84	67.21	1886......	21.82	9.44
1841.....	10.59	9.50	1864......	19.67	101.50	1887.....	22.45	10.25
1842......	9.02	7.85	1865......	20.57	83.38	1888......	22.88	10.27
1843......	7.87	7.25	1866......	18.99	43.20	1889......	22.52	10.71
1844......	8.68	7.73	1867......	18.28	31.59	1890......	22.82	11.53
1845......	8.95	5.63	1868......	18.39	24.85	1891......	23.41	9.03
1846......	9.43	7.87	1869......	17.60	29.01	1892......	24.44	7.64
1847......	10.59	11.21	1870......	17.50	23.98	1893......	23.85	8.24
1848....	10.66	8.03	1871......	18.10	16.95	1894......	24.30	7.67
1849......	10.34	7.55	1872......	18.19	20.48			

MONETARY SYSTEMS AND APPROXIMATE STOCKS OF MONEY IN THE AGGREGATE AND PER CAPITA IN THE PRINCIPAL COUNTRIES OF THE WORLD.

Countries.	Monetary System.	Ratio between gold and full legal tender silver.	Ratio between gold and limited tender silver.	Population.	Stock of gold.	Stock of Silver.			Uncovered paper.	Per Capita.			
						Full Tender.	Limited tender.	Total.		Gold.	Silver.	Paper.	Total.
United States *a*	Gold*	1 to 15.98	1 to 14.95	68,900,000	$626,600,000	$549,700,000	$75,600,000	$625,300,000	$475,700,000	$9.09	$9.08	$6.90	$25.07
United Kingdom	Gold	....	1 to 14.28	38,800,000	*b*550,000,000	....	*b*112,000,000	112,000,000	*g*113,400,000	14.18	2.88	2.92	19.98
France	Gold*	1 to 15½	1 to 14.38	38,300,000	*b*825,000,000	*h*434,300,000	*h*57,900,000	492,200,000	*c*88,500,000	21.54	12.85	2.31	36.70
Germany	Gold	....	1 to 13.957	49,400,000	*b*625,000,000	*b*105,000,000	*b*110,000,000	215,000,000	*c*88,000,000	12.65	4.35	1.78	18.78
Belgium	Gold*	1 to 15½	1 to 14.38	6,200,000	*b*55,000,000	*b*48,000,000	*b*6,900,000	54,900,000	*c*51,200,000	8.87	8.85	8.26	25.98
Italy	"	1 to 15½	1 to 14.38	30,500,000	*c*96,000,000	*b*10,000,000	*d*20,000,000	30,000,000	*c*167,600,000	3.15	0.98	5.50	9.63
Switzerland	"	1 to 15½	1 to 14.38	2,900,000	*b*15,000,000	*b*10,000,000	*b*5,000,000	15,000,000	*f*16,600,000	5.17	5.17	5.72	16.06
Greece	"	1 to 15½	1 to 14.38	2,200,000	*b*500,000	*e*1,000,000	*e*2,000,000	3,000,000	*c*42,000,000	0.23	1.36	19.09	20.68
Spain	"	1 to 15½	1 to 14.38	17,500,000	*b*40,000,000	*b*126,000,000	*b*40,000,000	166,000,000	*c*107,100,000	2.29	9.48	6.12	17.89
Portugal	Gold	....	1 to 14.08	4,700,000	*c*38,900,000	....	*c*24,800,000	24,800,000	*c*55,500,000	8.27	5.28	11.81	25.36
Roumania	Gold	....	....	5,800,000	*b*15,000,000	*b*3,500,000	*b*5,000,000	8,500,000	*c*13,300,000	2.59	1.46	2.29	6.34
Servia	Gold*	....	....	2,200,000	*c*3,000,000	*c*1,900,000	....	1,900,000	*f*3,800,000	1.36	0.86	1.73	3.95
Austria-Hungary	Gold	....	1 to 13.69	43,200,000	*b*130,000,000	*d*81,000,000	*d*40,000,000	121,000,000	*d*146,300,000	3.00	2.81	3.38	9.19
Netherlands	Gold*	1 to 15⅝	1 to 15	4,700,000	*c*27,600,000	*c*53,400,000	*c*3,100,000	56,500,000	*c*35,900,000	5.87	12.02	7.64	25.53
Scandinavian Un.:													
Norway	Gold	....	1 to 14.88	2,000,000	*c*7,300,000	....	*c*1,900,000	1,900,000	*c*3,900,000	3.65	0.95	1.95	6.55
Sweden	"	....	1 to 14.88	4,800,000	*c*6,500,000	....	*c*4,800,000	4,800,000	*c*16,500,000	1.35	1.	3.44	5.79
Denmark	"	....	1 to 14.88	2,200,000	*c*14,200,000	....	*c*5,400,000	5,400,000	*c*5,400,000	6.46	2.45	2.45	11.36
Russia & Finland	Gold*	1 to 15½	1 to 12.90	124,000,000	*b*455,000,000	....	*b*48,000,000	48,000,000	*c*530,000,000	3.67	0.38	4.27	8.32
Turkey	Gold*	1 to 15⅞	1 to 15⅞	39,200,000	*b*50,000,000	*b*30,000,000	*d*10,000,000	40,000,000	....	1.27	1.02	....	2.29
Bulgaria	"	1 to 15½	1 to 14.38	4,300,000	*d*800,000	*d*3,400,000	*d*3,400,000	6,800,000	....	0.18	1.58	....	1.76
Australia	Gold	....	1 to 14.28	4,700,000	*b*105,000,000	....	*b*7,000,000	7,000,000	....	22.34	1.49	....	23.83
Egypt	"	....	1 to 15.68	6,800,000	*b*120,000,000	....	*b*15,000,000	15,000,000	....	17.65	2.20	....	19.85
Mexico	Silver	1 to 16½	....	12,100,000	*b*5,000,000	*b*50,000,000	....	50,000,000	*b*2,000,000	0.41	4.13	0.17	4.71
Central American States	"	1 to 15½	....	3,300,000	*c*500,000	*c*8,000,000	....	8,000,000	*c*4,000,000	0.15	2.42	1.21	3.78
South American States	"	1 to 15½	....	36,000,000	*b*40,000,000	*b*30,000,000	....	30,000,000	*b*550,000,000	1.11	0.83	15.28	17.22
Japan	Silver	1 to 16.18	....	41,100,000	*c*80,000,000	*c*72,000,000	*c*16,300,000	88,300,000	....	1.95	2.14	....	4.09
India	"	1 to 15	....	296,000,000	....	*j*950,000,000	....	950,000,000	*i*37,000,000	....	3.21	0.12	3.33
China	Silver	....	....	360,000,000	....	*b*750,000,000	....	750,000,000	....	....	2.08	....	2.08
Straits Settlements	Silver	....	....	3,800,000	....	*b*115,000,000	....	115,000,000	....	....	3.26	....	3.26
Canada *a*	Gold	....	1 to 14.28	4,800,000	20,000,000	....	6,500,000	6,500,000	40,000,000	4.16	1.35	8.33	13.85
Cuba	Gold*	1 to 15½	....	1,600,000	*b*18,000,000	*b*1,500,000	....	1,500,000	....	11.25	0.94	....	12.19
Haiti	"	1 to 15½	....	1,000,000	*c*2,000,000	*c*2,100,000	*c*800,000	2,900,000	....	2.00	2.90	....	4.90
Total	....	....	....	....	$3,971,900,000	$3,435,800,000	$621,400,000	$4,057,200,000	$2,593,700,000	....	....	....	....

* In these countries silver is a legal tender, but coined only to a limited extent and for government account. In Germany, Austria-Hungary and Roumania some old legal tender silver is still current.

a November 1, 1894; all other countries January 1, 1894. *b* Estimate, Bureau of the Mint. *c* Information furnished through United States representatives.
d Haupt. *e* Crédit Lyonnais. *f* L'Economiste Européen. *g* Sir Charles Freemantle. *h* A. De Foville. *i* Indian Currency Committee report. *j* J. C. Harrison.